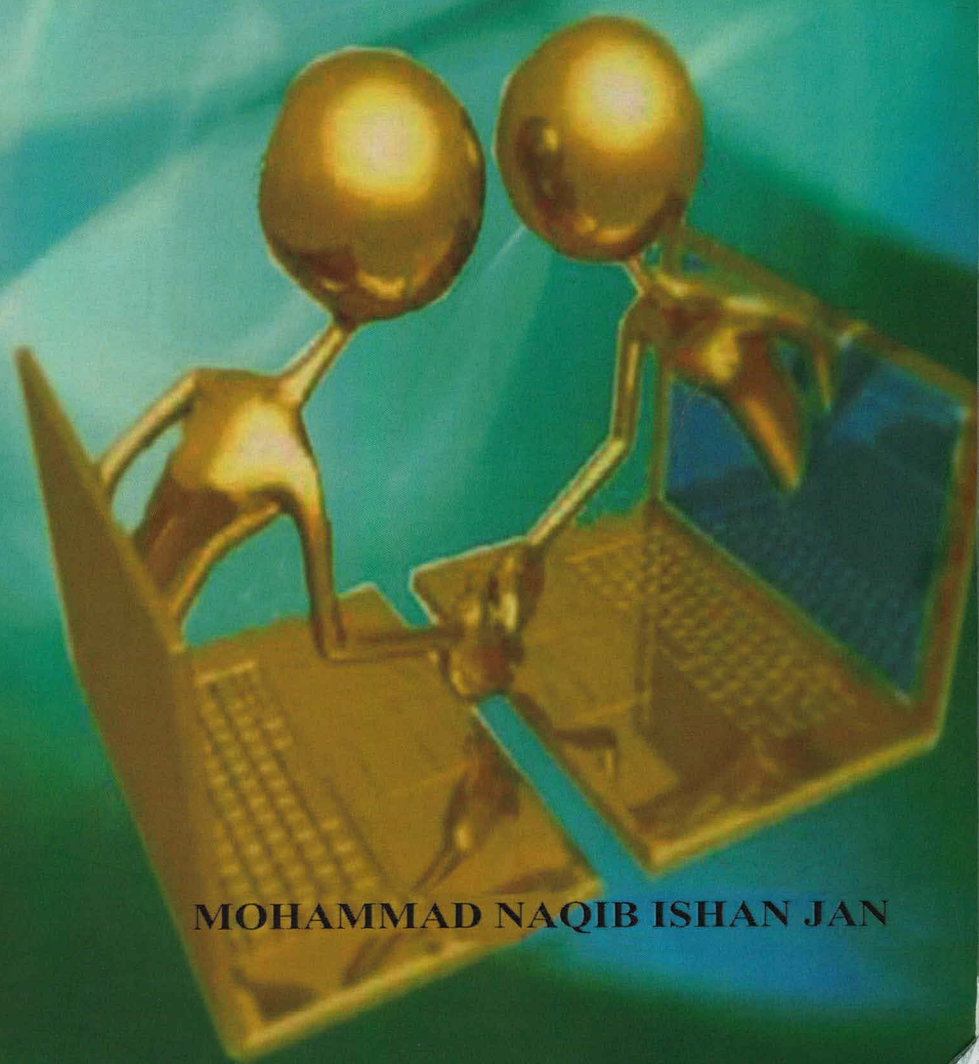


# **LAW AND COMMERCE : THE MALAYSIAN PERSPECTIVE**



**MOHAMMAD NAQIB ISHAN JAN**

# **LAW AND COMMERCE: THE MALAYSIAN PERSPECTIVE**

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**IIUM Press**

Published by:  
IIUM Press  
International Islamic University Malaysia

First Edition, 2011  
©IIUM Press, IIUM

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Perpustakaan Negara Malaysia

Cataloguing-in-Publication Data

Mohammad Naqib Ishan Jan

Law and Commerce: The Malaysian Perspective

Include index

ISBN 978-967-0225-43-2

ISBN: 978-967-0225-43-2

Member of Majlis Penerbitan Ilmiah Malaysia – MAPIM  
(Malaysian Scholarly Publishing Council)

Printed by :  
**IIUM PRINTING SDN. BHD.**  
No. 1, Jalan Industri Batu Caves 1/3  
Taman Perindustrian Batu Caves  
Batu Caves Centre Point  
68100 Batu Caves  
Selangor Darul Ehsan

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## CHAPTER 3

# **THE PRIMARY ELEMENTS OF AN ENFORCEABLE CONTRACT**

*by*  
**MOHAMMAD NAQIB ISHAN JAN**

There are four primary elements of an enforceable contract, namely offer (proposal), acceptance, consideration and intention to create legal relation. These crucial elements are briefly discussed. They are crucial because in the absence of them no contract can be formed.

### **PROPOSAL (OFFER)**

The term "proposal" is synonymous to "offer." Section 2(a) of the Contracts Act 1950 (Malaysia) provides that "when one person signifies his willingness to do or to abstain from doing anything, with a view to obtaining the assent of that other to the act or abstinence, he is said to make a proposal." For instance, X promises to pay a reward to anyone who finds his lost wallet or A writes a letter offering to sell his Proton Waja car to B for a specific price. In both examples, X and A signify their willingness to do certain acts, i.e., X to pay a reward and A to sell his car, and they do the acts with a view to obtain the assent of others to the acts.